

LEGISLATURE OF NEBRASKA

NINETY-NINTH LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 1206

Introduced by Louden, 49; Combs, 32; Cornett, 45; Kopplin, 3;
Pahls, 31

Read first time January 18, 2006

Committee: Revenue

A BILL

1 FOR AN ACT relating to law enforcement; to amend section
2 53-160, Reissue Revised Statutes of Nebraska; to adopt
3 the Citizen Safety Grant Fund Program Act; to change
4 provisions relating to a tax on alcoholic liquor; to
5 harmonize provisions; to provide operative dates; to
6 repeal the original section; and to declare an emergency.
7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 6 of this act shall be known and
2 may be cited as the Citizen Safety Grant Fund Program Act.

3 Sec. 2. For purposes of the Citizen Safety Grant Fund
4 Program Act:

5 (1) Commission means the Nebraska Commission on Law
6 Enforcement and Criminal Justice;

7 (2) Eligible organization means the Nebraska State
8 Patrol, a county sheriff's department, or a city police department;
9 and

10 (3) Program means the Citizen Safety Grant Fund Program
11 established in section 3 of this act.

12 Sec. 3. (1) The Citizen Safety Grant Fund Program is
13 created. The program shall provide grants to assist eligible
14 organizations in addressing violent crime.

15 (2) Eligible organizations may apply to the commission,
16 on forms developed and provided by the commission, for a citizen
17 safety grant under the program. The application shall contain
18 violent crime statistics within the jurisdiction of the applicant
19 and the applicant's proposed use of the grant funds which may
20 include, but need not be limited to, hiring additional law
21 enforcement personnel or the purchase of equipment or services.

22 (3) The commission shall review the applications and
23 determine the number of grants to be awarded and the amount of
24 each grant under the program based on rules and regulations of the
25 commission. Grants shall be awarded beginning September 1, 2006,

1 based on the amount of funds available in the Citizen Safety Grant
2 Fund.

3 Sec. 4. The Citizen Safety Grant Fund is created. The
4 fund shall be administered by the commission to provide for grants
5 pursuant to section 3 of this act. The fund shall consist of
6 money appropriated and credited pursuant to sections 5 and 7 of
7 this act and any gifts, bequests, or contributions provided by any
8 other public or private entity. Any money in the fund available
9 for investment shall be invested by the state investment officer
10 pursuant to the Nebraska Capital Expansion Act and the Nebraska
11 State Funds Investment Act.

12 Sec. 5. The State Treasurer shall credit to the Citizen
13 Safety Grant Fund, from the tax imposed pursuant to section 53-160,
14 an amount equal to five cents per gallon on beer, three cents per
15 gallon on wine not produced in farm wineries, and seven cents per
16 gallon on alcohol and spirits.

17 Sec. 6. The commission shall adopt and promulgate rules
18 and regulations to carry out the Citizen Safety Grant Fund Program
19 Act.

20 Sec. 7. Section 53-160, Reissue Revised Statutes of
21 Nebraska, is amended to read:

22 53-160 (1) For the purpose of raising revenue, a tax
23 is imposed upon the privilege of engaging in business as a
24 manufacturer or a wholesaler at a rate of ~~thirty-one~~ thirty-six
25 cents per gallon on all beer; ~~ninety-five~~ ninety-eight cents per

1 gallon for wine, except for wines produced in farm wineries; six
2 cents per gallon for wine produced in farm wineries; and three
3 dollars and ~~seventy-five~~ eighty-two cents per gallon on alcohol
4 and spirits manufactured and sold by such manufacturer or shipped
5 for sale in this state by such wholesaler in the course of such
6 business. The gallonage tax imposed by this subsection shall be
7 imposed only on alcoholic liquor upon which a federal excise tax is
8 imposed.

9 (2) Manufacturers or wholesalers of alcoholic liquor
10 shall be exempt from the payment of the gallonage tax on such
11 alcoholic liquor upon satisfactory proof, including bills of lading
12 furnished to the commission by affidavit or otherwise as the
13 commission may require, that such alcoholic liquor was manufactured
14 in this state but shipped out of the state for sale and consumption
15 outside this state.

16 (3) Dry wines or fortified wines manufactured or shipped
17 into this state solely and exclusively for sacramental purposes and
18 uses shall not be subject to the gallonage tax.

19 (4) The gallonage tax shall not be imposed upon any
20 alcoholic liquor, whether manufactured in or shipped into this
21 state, when sold to a licensed nonbeverage user for use in
22 the manufacture of any of the following when such products are
23 unfit for beverage purposes: Patent and proprietary medicines and
24 medicinal, antiseptic, and toilet preparations; flavoring extracts,
25 syrups, food products, and confections or candy; scientific,

1 industrial, and chemical products, except denatured alcohol; or
2 products for scientific, chemical, experimental, or mechanical
3 purposes.

4 (5) The gallonage tax shall not be imposed upon the
5 privilege of engaging in any business in interstate commerce or
6 otherwise, which business may not, under the Constitution and
7 statutes of the United States, be made the subject of taxation by
8 this state.

9 (6) The gallonage tax shall be in addition to all other
10 occupation or privilege taxes imposed by this state or by any
11 municipal corporation or political subdivision thereof.

12 (7) The commission shall collect the gallonage tax and
13 shall account for and remit to the State Treasurer at least once
14 each week all money collected pursuant to this section. If any
15 alcoholic liquor manufactured in or shipped into this state is
16 sold to a licensed manufacturer or wholesaler of this state to be
17 used solely as an ingredient in the manufacture of any beverage
18 for human consumption, the tax imposed upon such manufacturer or
19 wholesaler shall be reduced by the amount of the taxes which have
20 been paid as to such alcoholic liquor so used under the Nebraska
21 Liquor Control Act. The net proceeds of all revenue equal to five
22 cents per gallon of the tax on beer, three cents per gallon of
23 the tax on wine not produced in farm wineries, and seven cents per
24 gallon of the tax on alcohol and spirits shall be credited to the
25 Citizen Safety Grant Fund as provided in section 5 of this act. The

1 remaining proceeds arising under this section shall be credited to
2 the General Fund.

3 Sec. 8. Sections 5, 7, and 9 of this act become operative
4 on July 1, 2006. The other sections of this act become operative on
5 their effective date.

6 Sec. 9. Original section 53-160, Reissue Revised Statutes
7 of Nebraska, is repealed.

8 Sec. 10. Since an emergency exists, this act takes effect
9 when passed and approved according to law.